



Senate Education Committee

Senator Jeffrey E. Piccola
Chairman

Dave Transue
Executive Director
dtransue@pasen.gov

Matt Azeles
Deputy Executive Director
mazeles@pasen.gov

Karen Seivard
Committee Counsel
kseivard@pasen.gov

Room 173 Capitol Building, Senate Box 203015, Harrisburg, Pennsylvania 17120-3015 • 717-787-6801 • 717-783-3722

BILL SUMMARY
Senate Bill 1308, Printer's No. 1732
Prime Sponsor: Tomlinson

A. SYNOPSIS:

Senate Bill 1308 would create a new "State System of Higher Education Intellectual Property Act" (Act) that would allow State-owned universities to enter agreements to develop and market intellectual property owned or created by an employee of the Pennsylvania State System of Higher Education (PASSHE).

B. BILL ANALYSIS:

Senate Bill 1308 would create a new law entitled the "State System of Higher Education Intellectual Property Act" which would apply to all economic development transactions entered into by State-owned universities and PASSHE employees. A State-owned university would include any one of the 14 institutions currently within PASSHE or any other institution that may be admitted to PASSHE after the bill's enactment. A PASSHE employee would include an individual employed by PASSHE or by a university within PASSHE.

Under the Act, State-owned universities and PASSHE employees would be allowed to enter into economic development agreements, which would allow a State-owned university to develop and market intellectual property owned or created by a PASSHE employee. Economic development agreements entered into under the Act would be subject to review for form and legality pursuant to the Commonwealth Attorneys Act. The agreements also would be listed with the Treasury Department and would be available to the public under the Right-to-Know Law.

The bill requires that PASSHE and each State-owned university monitor economic development agreements entered into under the Act and report such agreements annually to the Education Committee of the Senate and the Education Committee of the House of Representatives. Such reporting under the Act would be made in compliance with any legal protections provided by copyright or trademark laws or other Federal or State law.

The Act would not alter, impair or limit the terms or conditions of any sponsorship agreement, grant agreement, collective bargaining agreement or other contract, nor would it authorize the

unlawful use of public resources by private individuals in the development of intellectual property.

The bill would also repeal the State Adverse Interest Act to the extent it is inconsistent with the Act.

The bill would take effect 60 days after its enactment.

C. SUMMARY OF RELEVANT EXISTING LAW:

Current law does not authorize State-owned universities and PASSHE employees to enter into economic development agreements, and such agreements would be prohibited by the State Adverse Interest Act.

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1308 Session of
2011

INTRODUCED BY TOMLINSON, PICCOLA, SCARNATI, DINNIMAN, M. WHITE,
ALLOWAY, GREENLEAF, EARLL AND MENSCH, OCTOBER 27, 2011

REFERRED TO EDUCATION, OCTOBER 27, 2011

AN ACT

1 Authorizing the State System of Higher Education and its
2 employees to enter into certain economic development
3 agreements; providing for approval and notice, for reports
4 and for limitations; and making an inconsistent repeal.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Short title.

8 This act shall be known and may be cited as the State System
9 of Higher Education Intellectual Property Act.

10 Section 2. Scope of act.

11 This act shall apply to all economic development transactions
12 entered into by State-owned universities and system employees.

13 Section 3. Definitions.

14 The following words and phrases when used in this act shall
15 have the meanings given to them in this section unless the
16 context clearly indicates otherwise:

17 "Economic development agreement." An agreement that allows a
18 State-owned university to develop and market intellectual
19 property owned or created by a State System of Higher Education

1 employee.

2 "State-owned university." One of the 14 institutions under
3 the State System of Higher Education or any other institution
4 that may be admitted to the State System of Higher Education
5 subsequent to the enactment of this act in accordance with the
6 provisions of the act of March 10, 1949 (P.L.30, No.14), known
7 as the Public School Code of 1949.

8 "System employee." An individual employed by the State
9 System of Higher Education or one of its constituent
10 universities.

11 Section 4. Authorization.

12 State-owned universities and system employees may enter into
13 economic development agreements that inure to the benefit of the
14 State-owned universities and system employees.

15 Section 5. Approval and notice.

16 (a) Review and approval.--Agreements entered into under this
17 act shall be reviewed and approved in accordance with the form
18 and legality reviews of the act of October 15, 1980 (P.L.950,
19 No.164), known as the Commonwealth Attorneys Act.

20 (b) Public availability.--Agreements authorized by this act
21 shall be made available to the public by listing them with the
22 Treasury Department in accordance with the provisions of Chapter
23 17 of the act of February 14, 2008 (P.L.6, No.3), known as the
24 Right-to-Know Law.

25 Section 6. Reports.

26 The State System of Higher Education and each State-owned
27 university shall monitor and report agreements entered into
28 under this act on an annual basis to the Education Committee of
29 the Senate and the Education Committee of the House of
30 Representatives. The information shall be reported in compliance

1 with any legal protections provided by copyright or trademark
2 laws or other Federal or State law.

3 Section 7. Limitations.

4 (a) Contracts.--Nothing in this act shall alter, impair or
5 limit the terms or conditions of any sponsorship agreement,
6 grant agreement, collective bargaining agreement or other
7 contract.

8 (b) Use of public resources.--This act shall not authorize
9 the unlawful use of public resources by private individuals in
10 the development of intellectual property.

11 Section 8. Repeal.

12 Repeals are as follows:

13 (1) The General Assembly declares that the repeal under
14 paragraph (2) is necessary to effectuate this act.

15 (2) The act of July 19, 1957 (P.L.1017, No.451), known
16 as the State Adverse Interest Act, is repealed insofar as it
17 is inconsistent with this act.

18 Section 9. Effective date.

19 This act shall take effect in 60 days.